

78 04411



URBAN DEVELOPMENT ACTION GRANT PROGRAM

Fed. aid to community develop.

²
Mayor's Office of Community Development
San Francisco, California

78 04411

INSTITUTE OF GOVERNMENTAL
STUDIES LIBRARY

DEC - 5 2024

UNIVERSITY OF CALIFORNIA

URBAN DEVELOPMENT ACTION GRANT

WHAT'S THIS
"UDAG"?



URBAN DEVELOPMENT
ACTION GRANTS PROVIDE
ASSISTANCE (\$\$) THROUGH
THE U.S. DEPARTMENT OF HOUSING AND
URBAN DEVELOPMENT TO DISTRESSED
CITIES TO STIMULATE NEW, INCREASED
PRIVATE INVESTMENT FOR THE PURPOSES
OF REVITALIZING LOCAL ECONOMIES AND FIXING
UP NEIGHBORHOODS.

GENERALLY, ACTION GRANT PROJECTS SHOULD
TAKE NO MORE THAN FOUR YEARS TO
COMPLETE, AND SHOULD AFFORD
MAXIMUM BENEFITS TO LOW-AND-MODERATE
INCOME PERSONS AND MINORITIES.



WHOO'S
ELIGIBLE?

IN GENERAL, CITIES AND URBAN COUNTIES
MAY APPLY FOR ASSISTANCE IF THEY
MEET THREE REQUIREMENTS:

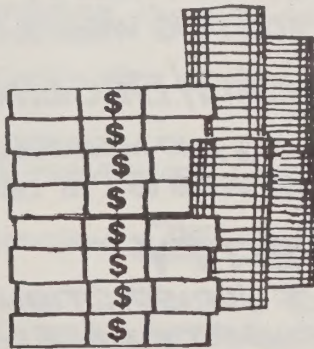
1. THEY MUST MEET THE MINIMUM STANDARDS
FOR DETERMINING PHYSICAL AND ECONOMIC DISTRESS;
2. THEY MUST DEMONSTRATE RESULTS IN PROVID-
ING HOUSING FOR LOW-AND-MODERATE INCOME PERSONS;
3. THEY MUST DEMONSTRATE RESULTS IN PROVIDING
EQUAL OPPORTUNITY IN HOUSING AND
EMPLOYMENT FOR LOW-AND-MODERATE
INCOME PERSONS AND MEMBERS OF
2- MINORITY GROUPS.

HOW MUCH MONEY ?

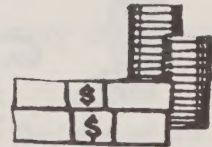


\$400,000,000

*\$ 400,000,000 NATIONWIDE
- AT LEAST TWENTY-FIVE
PERCENT OF THE FUNDS
WILL BE SET ASIDE
FOR SMALL COMMUNITIES
(POPULATION UNDER 50,000).*

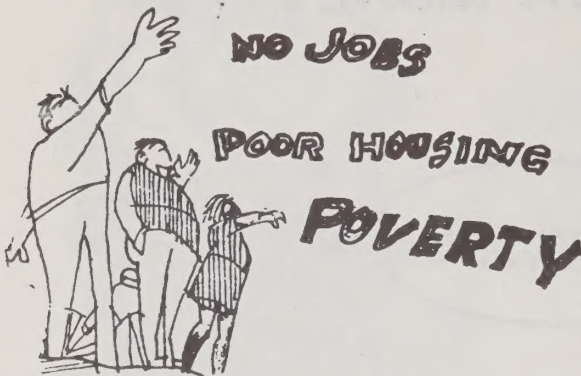


URBAN AREAS
\$ 300,000,000

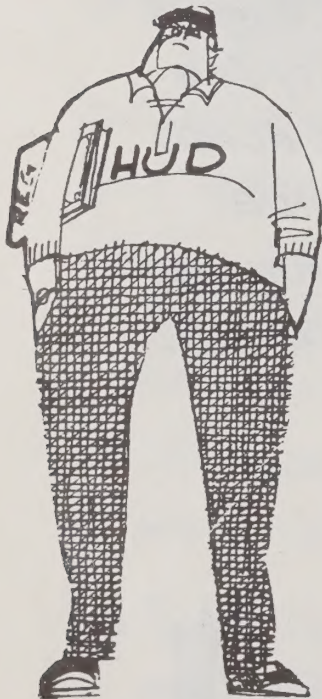


SMALL CITIES
\$ 100,000,000

WHAT IS A DISTRESSED CITY ?



ECONOMIC AND PHYSICAL DISTRESS FACTORS



1. AGE OF HOUSING

34% YEAR-ROUND UNITS CONSTRUCTED PRIOR 1940.

2. PER CAPITA INCOME

NET INCREASE FOR 1969-74 WAS \$1433 OR LESS.

3. POPULATION LAG/DECLINE

FOR 1960-75, RATE OF GROWTH WAS 13.7% OR LESS.

4. UNEMPLOYMENT

RATE FOR 1976 WAS 7.75% OR GREATER.

5. JOB LAG/DECLINE

RETAILING AND MANUFACTURING FOR
1967-72 WAS 6.1% OR LESS.

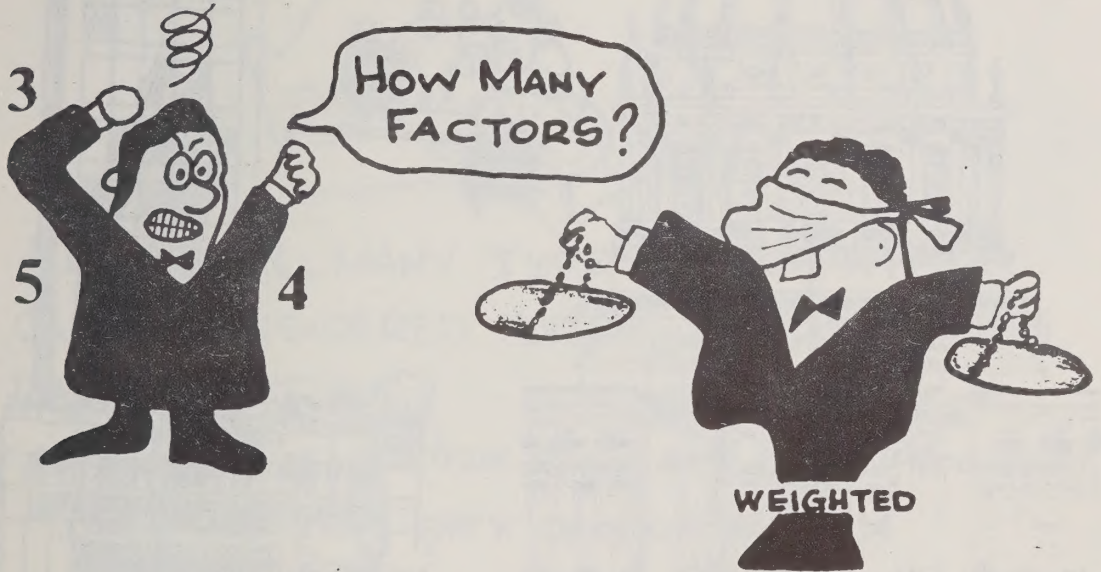
6. POVERTY

11.1% OF JURISDICTION IS AT OR BELOW
THE POVERTY LEVEL.

7. UNIQUE DISTRESS FACTORS

SPECIAL PROBLEMS OF THE CITY

HOW MANY OF THE PHYSICAL AND ECONOMIC DISTRESS FACTORS MUST A CITY MEET TO BE ELIGIBLE?



DATA ARE WEIGHTED FOR POVERTY SO THAT:

IF THE POVERTY LEVEL IS $1\frac{1}{2}$ TIMES THE MEDIAN,

THREE FACTORS MUST BE MET (PROVIDED THE CITY'S PER CAPITA INCOME IS BELOW THE MEDIAN).

IF THE POVERTY LEVEL IS LESS THAN $\frac{1}{2}$ OF THE

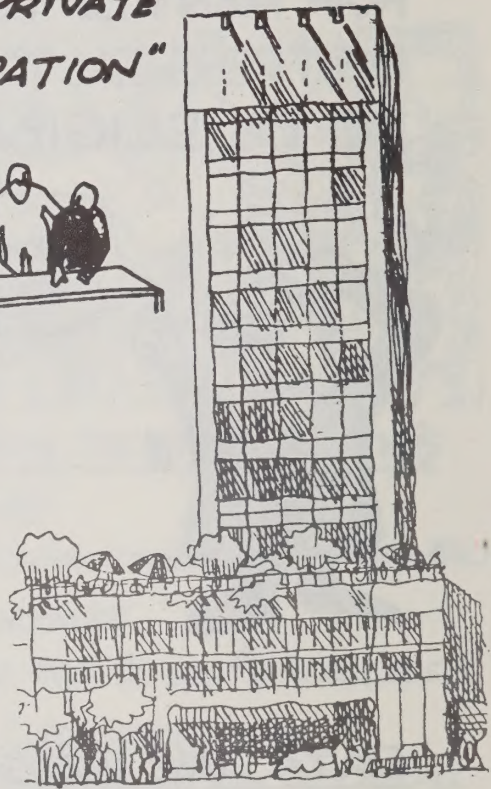
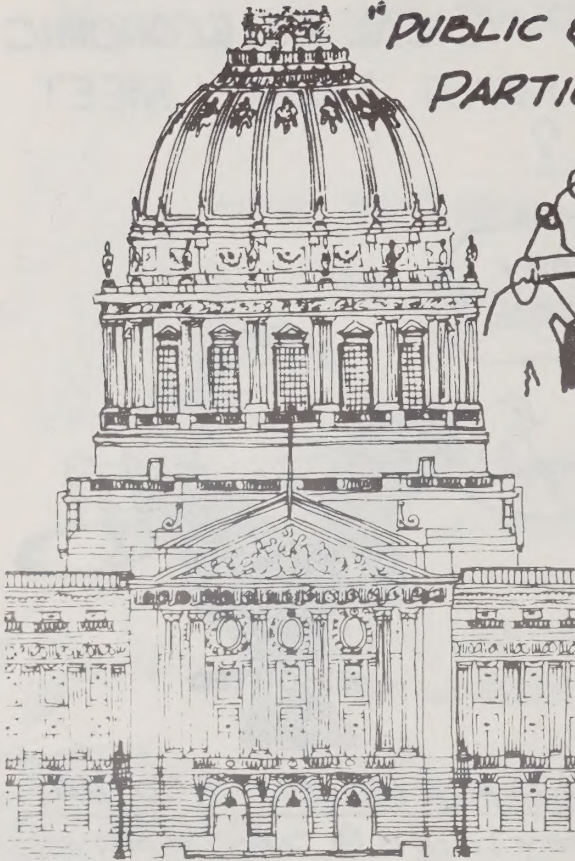
MEDIAN, FIVE FACTORS MUST BE MET.

IF THE POVERTY LEVEL IS THE SAME AS THE

MEDIAN, FOUR FACTORS MUST BE MET.



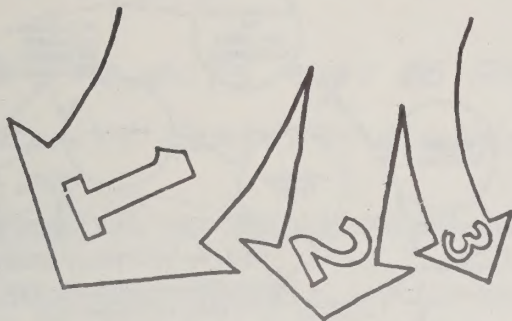
"PUBLIC & PRIVATE PARTICIPATION"



WHAT ABOUT THE PRIVATE COMMITMENT?

A PROPOSED PROJECT CANNOT BE CONSIDERED FOR AN ACTION GRANT UNLESS THE CITY CAN PROVIDE ASSURANCES (THROUGH LETTERS-OF-INTENT OR LEGALLY BINDING COMMITMENTS) THAT THE PRIVATE SECTOR WILL PARTICIPATE FINANCIALLY IN THE PROJECT.

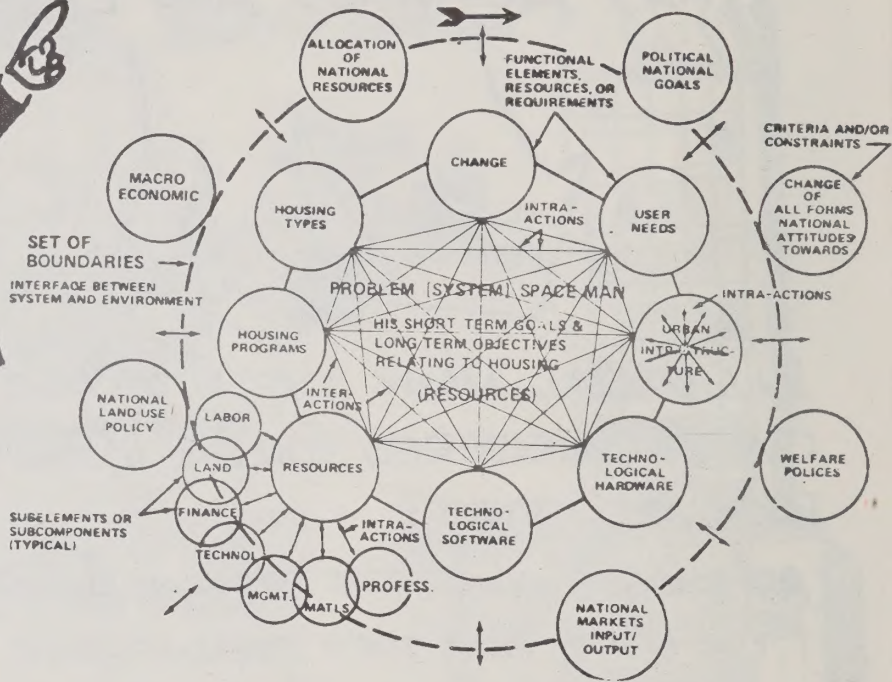
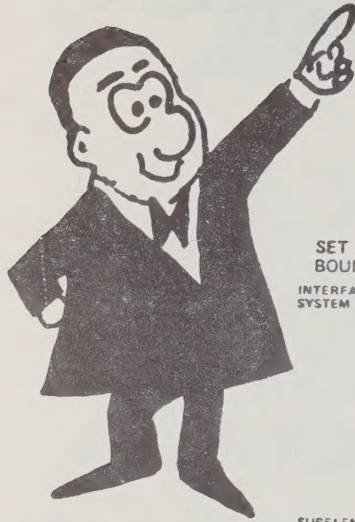
WHAT ACTIVITIES ARE ELIGIBLE?



IN GENERAL, MANY TYPES OF ACTIVITIES CAN BE CONSIDERED FOR ACTION GRANT FUNDING, PROVIDED THEY:

1. ARE ELIGIBLE UNDER THE REGULAR CDBG PROGRAM (OR, IF NOT, THAT THEY DEMONSTRATE A UNIQUE OPPORTUNITY FOR THE COMMUNITY); OR
2. SUPPORT A PROJECT DESIGNED TO REVITALIZE THE LOCAL ECONOMIC BASE OR RECLAIM NEIGHBORHOODS HAVING EXCESSIVE HOUSING ABANDONMENT OR DETERIORATION; OR
3. NEW HOUSING CONSTRUCTION, PROVIDED THE APPLICANT CAN DEMONSTRATE THAT THE HOUSING IS CONSISTENT WITH THE LOCALITY'S COMMUNITY DEVELOPMENT AND HOUSING STRATEGY AND OTHER RESOURCES ARE NOT ADEQUATE.

APPLICATION PROCESS



SOME OF THE DETAILS YOU SHOULD KNOW ARE:

1. HUD WILL ACCEPT APPLICATION FOR A 30 DAY PERIOD STARTING JANUARY 1, 1978. THE DEADLINE FOR THE SUBMISSION OF APPLICATIONS DURING THIS FIRST QUARTER IS JANUARY 31, 1978.
2. AFTER THAT, APPLICATIONS WILL BE ACCEPTED THROUGHOUT THE YEAR----- DURING THE FIRST MONTH OF EACH QUARTER.

3. A SEPARATE APPLICATION MUST BE SUBMITTED FOR EACH PROPOSED PROJECT.
4. PROPOSED PROJECTS MUST BE RELEVANT TO THE APPLICANTS DISTRESS FACTORS.
5. PUBLIC AND PRIVATE RESOURCES MUST BE ADEQUATE TO COMPLETE THE PROJECT IN A TIMELY FASHION.
6. NO ADDITIONAL ACTION GRANT FUNDING WILL BE PROVIDED IN SUBSEQUENT YEARS FOR PROJECTS APPROVED IN PRIOR YEARS.
7. ENVIRONMENTAL IMPACT REVIEWS MUST BE COMPLETED BEFORE COSTS CAN BE INCURRED.
8. EVIDENCE OF LEGALLY BINDING PRIVATE COMMITMENTS MUST BE SUBMITTED TO HUD BEFORE COSTS CAN BE INCURRED.
9. PUBLIC HEARINGS AND OTHER CITIZEN PARTICIPATION ACTIVITIES MUST BE UNDERTAKEN BEFORE SUBMITTING APPLICATIONS.
10. A-95 PROCEDURES APPLY - ASSURANCES MUST BE PROVIDED.

WHAT KINDS OF THINGS ARE NOT ELIGIBLE ?

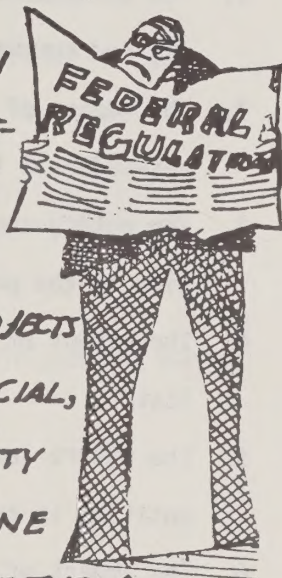


INELIGIBLE ACTIVITIES WOULD INCLUDE:

1. THE COST OF APPLICATION DEVELOPMENT & PLANNING
2. COSTS INVOLVING RELOCATION OF INDUSTRIAL OR COMMERCIAL FACILITIES FROM ONE CITY TO ANOTHER
3. BUSINESS LOANS AND INDUSTRIAL DEVELOPMENT WITHOUT PRIOR HUD COORDINATION AND CONSULTATION WITH OTHER FEDERAL AGENCIES.

HOW WILL HUD SELECT PROJECTS FOR FUNDING?

HUD WILL EMPLOY AT LEAST TEN CRITERIA IN THE REVIEW AND SELECTION PROCESS. FUNDING WILL BE BASED ON THE ACHIEVEMENT OF A "REASONABLE BALANCE" AMONG PROJECTS THAT ARE; a. RESIDENTIAL, b. COMMERCIAL, OR c. INDUSTRIAL IN NATURE. THE CITY MAY SUBMIT PROPOSALS FOR ANY ONE OF THE THREE TYPES OR A COMBINATION OF THEM.



PRIMARY CRITERIA

THE COMPARATIVE DEGREE OF PHYSICAL AND ECONOMIC DISTRESS AMONG APPLICANTS, AS MEASURED BY:

- a. THE PERCENTAGE OF TOTAL HOUSING STOCK THAT WAS BUILT BEFORE 1940;
- b. THE PERCENTAGE OF TOTAL CURRENT POPULATION THAT WAS IN POVERTY IN 1970; AND
- c. THE DEGREE TO WHICH THE POPULATION GROWTH RATE LAGS BEHIND THAT OF ALL METROPOLITAN CITIES.

OTHER CRITERIA:

1. The demonstrated performance of the applicant in carrying out housing and community development programs.
2. The impact of the proposed project on the special problems of low-and-moderate income persons and minorities.
3. The nature and extent of financial participation by private entities in the proposed project.
4. The extent of financial assistance to be made available by the State.
5. The nature and extent of financial participation by other public entities in the proposed project.
6. The impact of the proposed project on the physical, fiscal, or economic deterioration of the community.
7. The extent to which the proposed project represents a special or unique opportunity to meet local priority needs which are consistent with the objectives of economic revitalization or reclamation of neighborhoods.
8. The feasibility of accomplishing the project in a timely fashion -- generally three or four years -- within the total resources which will be provided.
9. Phasedown or elimination of hold-harmless entitlements under the Community Development Block Grant.

78 04411
U.C. BERKELEY LIBRARIES



C123313406

COMMUNITY DEVELOPMENT BLOCK GRANT

Within this general framework, specific eligible activities are defined by law, including the following:

- . property acquisition and disposition
- . construction or installation of certain public works facilities and site improvements
- . code enforcement
- . building removal and rehabilitation
- . completion of on-going categorical program (such as FACE, redevelopment, model cities)
- . relocation payments and assistance, and related costs
- . provision of public services (only when funds are not available from other Federal sources and when in direct support of one of the above activities)
- . matching of other Federal grants provided to support one of the above eligible activities
- . program planning and administration

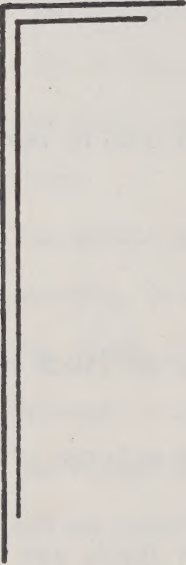
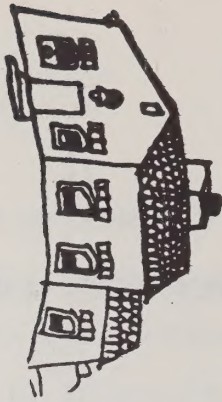
INSTITUTE OF GOVERNMENTAL
STUDIES LIBRARY

DEC - 5 2024

UNIVERSITY OF CALIFORNIA

Railey
Plumbing Inspector

MAYOR'S OFFICE
of Community Development
San Francisco, California



BULK RATE
U.S. POSTAGE
PAID
PERMIT NO. 11683
SAN FRANCISCO, CA